

**STRATEGIC PLANNING COMMITTEE**  
**UNITED STATES BANKRUPTCY COURT**  
**SOUTHERN DISTRICT OF NEW YORK**

Hon. Stuart M. Bernstein, Chief Judge  
United States Bankruptcy Court  
Southern District of New York

Hon. Burton R. Liffand  
United States Bankruptcy Court  
Southern District of New York

Hon. Arthur J. Gonzalez  
United States Bankruptcy Court  
Southern District of New York

Hon. Cecelia G. Morris  
United States Bankruptcy Court  
Southern District of New York

Hon. Robert E. Gerber  
United States Bankruptcy Court  
Southern District of New York

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**REFLECTIONS ON SIXTH ANNUAL STRATEGIC PLANNING**  
**SEPTEMBER 26-27, 2000**

***MISSION STATEMENT***

**The purpose of the United States Bankruptcy Court for the Southern District of New York is to provide, economically, a fair, consistent and an effective forum for the protection and marshaling of estate assets, the discharge or adjustment of debts, and the timely distribution of property or securities, in accordance with applicable law.**

**INTRODUCTION**

The United States Bankruptcy Court for the Southern District of New York held its sixth annual strategic planning session on September 26 and 27, 2000 with the Manhattan, White Plains, and Poughkeepsie divisions participating collectively for the second year. The court's mission statement and strategic plan have been adopted by the consolidated court unit. Addressing the three offices as a single unit has assisted the strategic planning committee in identifying opportunities for growth and development presented by the social, political, and economic trends inherent in the court's environment.

As in past sessions of strategic planning, the committee consisted of a cross-section of the court's staff and constituents. The process continues to be a collaborative effort among the judges, clerk's office staff, representatives from the United States Trustee's and United States Attorney's offices and members of the bankruptcy bar. As always, the Federal Judicial Center continues to support the process.

At the start of this year's session, the committee recommitted to the purpose, values, and critical functions of the court as defined in previous strategic plans. Consideration of how to fulfill these constants in light of a changing environment constitutes the work of the committee each year. The principles embodied by the mission and values statements of the court serve both as an unwavering point of reference for management decisions, and as the standard to which the committee holds itself accountable when considering and setting goals for the future.

The strategic planning process affords an opportunity for open sharing of information with the court's constituents, for stimulating creative and innovative thinking, and for taking a fresh look at how we approach the work of the court. The product of the committee's commitment and efforts is the strategic plan that follows, which identifies those changes in policy and procedure that will help the court to capitalize on future opportunities.

## **THE PROCESS**

The committee began its millennium session by considering the challenges presented by five critical factors which it believed would have an impact on the work of the court over the next decade. The challenges are as follows:

1. Managing an increased caseload associated with an economic downturn, in the context of reduced staffing and resource allocations.
2. Taking advantage of the opportunities and meeting the challenges associated with advances in communications technologies.
3. Managing the issues and challenges associated with decreased staffing allocations and personnel turnover.
4. Responding to the changes in debtor and creditor profiles resulting from an expansion to a global economy and a growing constituency of "virtual" companies.
5. Addressing the access, cost, security, and privacy issues raised by an increased use of electronic information.

These challenges prompted the strategic planning committee to consider new ways of thinking that will be required to effectively use these challenges to the court's advantage. For example:

- Viewing the court as a virtual process rather than a physical building. This would allow for the possibility of distributing work in a way that is not tied to a geographical location, and for conducting hearings without requiring the on-site presence of the parties.
- Changing the image of the court for employees from a lifelong career choice to a place where they are provided training and opportunities to grow professionally.

## **THE PLAN**

In order to incorporate these new ways of thinking into the court culture, the committee set specific goals. Each goal is measured against the enduring mission and values of the court. The goals are intended to break through the boundaries of the current practices and procedures and develop new ones that will prepare the court for the challenges that lie ahead.

### **Goal 1:**

To create a more efficient distribution of the workload by taking full advantage of the opportunities afforded by the electronic environment of the court.

#### **Strategy:**

- Study the current imbalance in distribution of the work associated with administration of cases and develop a plan for more equitable distribution among departments and divisions. The target date for implementation is 2002.

#### **Responsible Parties:**

- Chief Deputy Clerk to coordinate with department supervisors and divisional office deputies in charge to review current employee task assignments and formulate an implementation plan.

### **Goal 2:**

To make available on the court's web site, web-based visual training tutorials on how to use the electronic case filing system.

#### **Strategy:**

- Investigate and assess tutorials currently in development as well as commercially available authoring programs. The target date for implementation is December 2001.

#### **Responsible Parties:**

- The Systems Manager will be responsible for managing and overseeing the investigation and implementation process.

**Goal 3:**

To adopt and use guidelines and uniform judicial procedures regarding Section 363 sales, debtor in possession financing and other areas.

**Strategy:**

- A multi-constituent committee will draft guidelines for Section 363 sales within four months of appointment. The judges will review and revise the draft and adopt guidelines by June 30, 2001.
- The Association of the Bar of the City of New York, Committee on Bankruptcy and Corporate Reorganization will convene a multi-constituent subcommittee to draft guidelines for debtor in possession financing procedures to present to the judges by January 31, 2001. The judges will review and revise the draft and adopt guidelines by June 30, 2001.
- The board of judges will meet to identify possible other areas for guidelines, standing orders and the feasibility of creating a bench book. The meetings are to take place before the end of 2000.

**Responsible Parties:**

- Chief Judge Bernstein to appoint a multi-constituent committee to draft guidelines for Section 363 sales.
- The Association of the Bar of the City of New York, Committee on Bankruptcy and Corporate Reorganization to convene a multi-constituent subcommittee to draft the guidelines for debtor in possession financing procedures.
- Chief Judge Bernstein to preside over board of judges meetings to identify possible other areas for guidelines, standing orders, and to investigate the feasibility of creating a bench book.

**Goal 4:**

To develop a plan, specifications, and guidelines for the use of a virtual forum for adjudicating and administering cases.

**Strategy:**

- A task force, comprised of judges, clerk's office staff, members of the bar and technologists, will meet and develop the plan, specifications, and guidelines for use of a virtual forum for adjudication and administration of cases. The task force will meet and develop a report within six months of appointment.

**Responsible Parties:**

- Chief Judge Bernstein is responsible for assembling the task force.

**Goal 5:**

To administer chapter 13 cases in a uniform and efficient manner in all three divisional offices of the court.

**Strategy:**

- Conduct a process improvement analysis ensuring that all parties affected by any change have a voice in developing the uniform process. The target date for completion is December 2002.

**Responsible Parties:**

- Judge Cecelia G. Morris, Mary Leary, Marlene Guercy and Kathleen Farrell to coordinate the process improvement effort.

## **REPORT ON GOALS FROM PREVIOUS STRATEGIC PLANNING SESSIONS**

Some of the goals set out in the earlier sessions of strategic planning related to the timeliness of information available on the court's previous systems for Public Access to Electronic Records, ("PACER") and the court's former docketing system, BANCAP. Since BANCAP has been replaced by the Electronic Case Filing System ("ECF"), a more complete and accurate system for maintaining, recording and accessing court records, most of these goals have been met and are now deemed to be done in the ordinary course of business.

An emphasis was also placed on education and service to the bar and public. Pamphlets for general use by the public have been printed and are updated periodically; there is an ombudsman at the court in Manhattan to offer procedural assistance to the public, and regular training classes are conducted in all three offices of the court for Electronic Case Filing. The *pro se* handbook is in its final stages of editing and should be at the printer during the first quarter of 2001.

The telephone system remains inadequate; however, it has been enhanced to maximize its current capabilities. There are two help desk lines set up in Manhattan which the court has committed to have answered by a person, not a recording, to offer assistance to the bar and the public. A new telephone system for the divisional office in Poughkeepsie has been ordered and is due to be installed in the beginning of 2001.

An Executive Information Management System has been developed and is now used to track the disposition of cases and adversary proceedings. Effective March, 2000, all pending cases were transferred to the court's Electronic Case Filing System, so information contained in the Executive Information Management System should be more accurate than the information derived from the former BANCAP docketing system. A renewed commitment has been made by the court to review these reports on a more regular basis so that the target goals for disposition of cases and adversary proceedings can be more closely monitored and measured.

The goals set out in the strategic planning session for 1999 have not reached their target date for implementation and are currently being addressed. Some of the persons responsible for tackling these goals have either left the court or have changed positions; therefore, the names of the persons assigned to each task have been amended accordingly. The goals themselves remain unchanged.

## CONCLUSION

It's in the nature of setting ambitious goals that some will progress at a slower rate than originally perceived. A number of the goals set out in previous strategic plans have been met and are now part of the standard operating procedure of the court. Other goals remain in the process of development and implementation; their scheduled completion dates are still in the future. Still others have been revisited, redefined and adjusted to accommodate unanticipated events and circumstances.

Last year's strategic plan focused on the transition to new technology and support for our constituency in the use of that technology. We have made tremendous progress on both of those fronts. For example, the court has established two help lines to assist users of the electronic case filing system. Each line is answered by a person who ensures the caller's needs and concerns are addressed. We have also set up frequent one-on-one training classes for attorneys and their staffs in the use of electronic case filing. This year the strategic planning session focused on making optimal use of the opportunities afforded by technologies already in place and on defining the best ways to govern their use.

The court wishes to express its thanks and appreciation to the efforts and hard work of the strategic planning committee to continue the momentum started in 1995. The goals set out in previous sessions of strategic planning have served to focus the court on a common direction and set out a clear vision of where we want to be in the future.